Withdrawal of indirect tax exemptions

2562. SHRI RAJKUMAR DHOOT: Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) whether it is a fact that Government are considering withdrawal of indirect tax exemptions including incentives for Small Scale Industries and those for locating industries in backward areas;

(b) if so, the details thereof and the reasons therefore; and

(c) in what manner Government propose to offset the adverse effect of such a decision on SSIs and employees engaged therein?

THE MINISTER OF SMALL SCALE INDUSTRIES (SHRI MAHABIR PRASAD): (a) No, Sir.

(b) and (c) Do not arise.

Credit delivery to SSI

2563. DR. T. SUBBARAMI REDDY:
SHRI V. HANUMANTHA RAO:

Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) whether better credit delivery to Small Scale Industry sector by RBI, State Financing Corporations and SIDBI are necessary for further enhancing role of small and medium enterprises;

(b) whether in its report on national strategy for manufacturing National Manufacturing Competitiveness Council (NMCC) has recommended that a separate law for small enterprises including chapter on provisions of credit to SSIs be framed as prevalent in other countries;

(c) whether some problems are being faced in accessing credit; and

(d) if so, what steps considered by Government to remove such hurdles that are being faced by SSI units?

THE MINISTER OF SMALL SCALE INDUSTRIES (SHRI MAHABIR PRASAD): (a) Yes, Sir. However, the Reserve Bank of India (RBI) does not provide credit to the small scale industries (SSI) sector but formulates general policies for delivery of credit to the sector by banks, etc.